

DIVISION OF ACCOUNTS AND REPORTS POLICY AND PROCEDURE MANUAL

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Revisions Throughout

SUBJECT

Setoff Program Availability to Collect Delinquent Accounts

PURPOSE

To inform state agencies and municipalities of the availability of the State's centralized setoff program to collect delinquent accounts.

AUTHORITATIVE REFERENCE

K.S.A. 75-6201 *et seq.*

K.S.A. 44-718d

K.S.A. 75-3728a-d

K.S.A. 75-1117

K.S.A. 74-4923

GENERAL INFORMATION

K.S.A. 75-6201 *et seq.* requires the Director of Accounts and Reports to establish a setoff program for the collection of delinquent accounts owed to the State of Kansas or any state agency or any municipality. The setoff program matches delinquent debts with payments made by the state, and any payments matched may be used to offset the debt. Payments made by the state include state employee earnings, income tax refunds, unclaimed property, and other miscellaneous payments (such as payment to individuals and vendors doing business with state agencies), and Kansas Lottery winnings.

In addition, K.S.A. 74-4923 authorizes setoffs against a member's withdrawal of contributions from the Kansas Public Employees Retirement System (KPERS). K.S.A. 44-718d authorizes unemployment insurance benefit payments to be offset against child support arrearages. The Department of Administration, with Legislative Coordinating Council approval, performs these setoffs through a contract with the Department of Social Rehabilitation Services and the Department of Human Resources. K.S.A. 75-3728a-d establishes write-off procedures for accounts written off as uncollectible by an agency. Accounts written off are assigned to the Director of Accounts and Reports and collection is attempted through use of the setoff procedures.

The Setoff Program is a voluntary program available for use by all state agencies and municipalities. As stated in PPM 8,001, state agencies and municipalities are encouraged to utilize the setoff program as part of their delinquent account collection procedures. The program has proven to be cost effective in the collection of delinquent accounts owed to the state, an agency of the state, or a municipality. For further information about using the setoff program, please contact the Accounts Receivable Setoff Team of the Division of Accounts and Reports.

PROCEDURES

None

CONTACT SOURCES

For additional information concerning the State of Kansas Setoff Program, please contact:

Division of Accounts and Reports
Administrative Services Section
Accounts Receivable Setoff Team